AMENDED IN ASSEMBLY JULY 13, 2005 AMENDED IN ASSEMBLY JUNE 21, 2005 AMENDED IN ASSEMBLY JUNE 6, 2005 AMENDED IN SENATE APRIL 25, 2005

## SENATE BILL

No. 319

## **Introduced by Senator Migden**

February 16, 2005

An act to amend Section 47660 of the Education Code, relating to public education funding.

## LEGISLATIVE COUNSEL'S DIGEST

SB 319, as amended, Migden. Charter schools: funding.

Existing law, the Charter Schools Act of 1992, allows for the establishment of charter schools that operate independently from the existing school district structure as a method of accomplishing specified goals.

Existing law requires the Superintendent of Public Instruction to annually compute a general purpose entitlement, as defined, and a categorical block grant amount, as defined, for each charter school, pursuant to a specified formula.

Existing law requires, for purposes of computing eligibility for, and entitlements to, revenue limit funding, that the average daily attendance of a unified school district, other than a unified school district that has converted all of its schools to charter status, as specified, include all attendance of pupils who attend charter schools for which the district is the sponsoring local educational agency and reside in, and would otherwise have been eligible to attend a noncharter school of the district.

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This bill, instead, would limit that requirement to a charter school in a basic aid school district, and to a charter school that was converted to charter status after January 1, 2005, and would subject to different funding provisions, as specified, a charter school in a nonbasic aid unified school district that was operational and converted to charter status before after January 1, 2005, or that is receiving startup funding, as specified, and that would otherwise be subject to the above provisions of existing law.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

SECTION 1. Section 47660 of the Education Code is amended to read:

47660. (a) For purposes of computing eligibility for, and entitlements to, general purpose funding and operational funding for categorical programs, the enrollment and average daily attendance reported by a sponsoring local educational agency shall exclude the enrollment and attendance of pupils in its charter schools funded pursuant to this chapter.

- (b) Notwithstanding subdivision (a), and except as provided in subdivision (e) commencing with the 2005-06 fiscal year, for purposes of computing eligibility for, and entitlements to, revenue limit funding, the average daily attendance of a unified school district, other than a unified school district that has converted all of its schools to charter status pursuant to Section 47606, shall include all attendance of pupils who attend charter schools for which the district is the sponsoring local educational agency and reside in, and would who would otherwise have been eligible to attend a noncharter school of, the the school district, if the school district was a basic aid school district in the prior fiscal year, or if the pupils attended a charter school of a school district that converted to charter status on or after to January 1, 2005. Only the attendance of the pupils described by this subdivision shall be included in the calculation made pursuant to paragraph (7) of subdivision (h) of Section 42238.
- (e) Notwithstanding subdivision (b), a charter school in a nonbasic aid unified school district, that was operational and had converted to charter status prior to January 1, 2005, or that is a

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charter school that is receiving startup funding pursuant to Section 47771.5, that would otherwise be subject to subdivision (b), is subject to the funding provisions of Article 2 (commencing with Section 47633) and Article 3 (commencing with Section 47636), rather than to those of subdivision (b), and is excluded from computations pursuant to paragraph (7) of subdivision (h) of Section 42238.

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- (c) Commencing with the 2005-06 fiscal year, the general-purpose entitlement for a charter school that is established through the conversion of an existing public school within a unified school district on or after January 1, 2005, shall be the following, in lieu of the amount calculated pursuant to *Section 47633:*
- (1) The amount of unrestricted revenues expended per pupil for that school in the year prior to its conversion to a charter school, adjusted for the base revenue limit per pupil inflation increase, if any, provided for unified school districts in the year of conversion, multiplied by the units of average daily attendance for resident pupils in the charter.
- (2) For a subsequent fiscal year, the general-purpose entitlement shall be determined based on the amount per pupil allocated in the prior fiscal year adjusted for the base revenue limit per pupil inflation increase, if any, provided for unified school districts.
- (d) For the purposes of this section, "basic aid school district" means a school district that does not receive from the state an apportionment of state funds pursuant to subdivision (h) of Section 42238.
- (e) The Superintendent shall develop a recommended list of accounts based on the Standardized Account Code Structure for school districts and cost allocation methods, if appropriate, that may be used in an accounting of unrestricted revenues expended in support of a school pursuant to subdivision (c).
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